

1 language at all when you signed the affidavit?

2 A I didn't read the pleading before I signed the  
3 affidavit.

4 Q Did you have the pleading to read?

5 A No.

6 Q Was the pleading ever presented to you?

7 A No.

8 Q Does your affidavit make any direct reference to  
9 the pleading?

10 MR. SCHAUBLE: Objection. The document speaks for  
11 itself.

12 JUDGE FRYSIK: Well, I heard earlier, the  
13 affidavit was made to act as an addendum to Exhibit 22.  
14 That's what the witness said earlier

15 MR. KELLER: I am asking him now, does the  
16 affidavit specifically refer to the pleading?

17 JUDGE FRYSIK: Didn't he agree to attach it to  
18 the pleading?

19 BY MR. KELLER:

20 Q Mr. Sobel, would you look at page one. It is  
21 actually page four of six of Exhibit 42.

22 A Page one?

23 Q Page four of six of the exhibit, it's page one of  
24 the pleading. I just want you to read the first paragraph.  
25 Read it to yourself.

1 A Yes.

2 Q On whose behalf is this pleading being filed?

3 A Mr. Kay's.

4 Q Was it your understanding that it was being filed  
5 on your behalf?

6 A Not really.

7 Q Who asked you to sign the affidavit?

8 A Mr. Kay.

9 Q What did he tell you about the reason for the  
10 affidavit?

11 A It was an attempt to repair the screw up by the  
12 Bureau.

13 Q What screw up was that?

14 A That they listed my name and some of my licenses,  
15 both managed and unmanaged, on the hearing designation  
16 order, and showed me as an a/k/a of James Kay.

17 Q Have you had occasions in your various dealings  
18 with the FCC, both in the past and since this time, where  
19 either I or other attorneys prepare affidavits that either  
20 ask you directly or someone else asks you to sign them?

21 A Yes.

22 Q Isn't it not true that sometimes these affidavits  
23 will be in the nature that will ask you to verify the  
24 accuracy of some attached pleading? In other words, saying  
25 that you read the pleading and the facts and statements in

1 that pleading are true and accurate?

2 A Yes.

3 Q Was this such an affidavit?

4 A No.

5 Q So you never read the pleading itself?

6 A No.

7 Q In preparation for this proceeding, however, you  
8 have had an opportunity to review this pleading?

9 A I skimmed it, yes.

10 Q It is now your understanding that there is much  
11 more to this pleading than simply removing you from that  
12 proceeding?

13 A My removal was a small piece of the request.

14 Q When Mr. Kay presented you with the affidavit,  
15 even though you knew the context, is the affidavit a self-  
16 contained statement?

17 A Yes, it is.

18 Q It speaks for itself?

19 A Yes.

20 Q You have already testified as to what your  
21 intention was. I want to turn to Bureau Exhibit 45.

22 MR. KELLER: Your Honor, what I would like to do,  
23 I am using this only because I don't have another document  
24 handy, but if the Bureau has no objection, I think this is  
25 something you can take official notice of. I would like Mr.

1 Sobel to turn to page three of four of Exhibit 45, paragraph  
2 14.

3 BY MR. KELLER:

4 Q Mr. Sobel, do you see about midway down that  
5 paragraph, where there are some quote marks around, starting  
6 with the word, "Information?"

7 A Yes.

8 Q Could you read me the statement that is within the  
9 quote marks?

10 A "Information available to the Commission also  
11 indicates that James A. Kay, Jr. may have conducted  
12 businesses under a number of names. Kay could have used  
13 multiple names to thwart channel sharing and recovery  
14 provisions. We believe these names include, AirWave  
15 Communications and Marc Sobel, d/b/a AirWave  
16 Communications."

17 Q Thank you. Where did you first read that line?  
18 When did you first hear that language?

19 A In the hearing designation order issued to James  
20 Kay.

21 Q That would be the same document, WTB 94-147.

22 MR. SCHAUBLE: Excuse me, the same document?

23 MR. KELLER: The same document as the pleading we  
24 were referring to earlier. In other words, the proceeding  
25 is WT Docket Number 94-147, that being the same pleading

1     which we --

2                   MR. SCHAUBLE: My point is solely the docket. I  
3     heard document.

4                   MR. KELLER: I could have said that. Thank you.

5                   BY MR. KELLER:

6           Q     What was your understanding of that language when  
7     you first saw it and read it?

8           A     I thought it was absurd. They just lumped me  
9     right in there with everything that Mr. Kay had, without any  
10    consideration that I was a real person. As I mentioned  
11    before, they just kind of believed I was him.

12          Q     So it was not a question of your thinking that  
13    they had some questionable business relationship with him?

14          A     No.

15          Q     It was more basic than that? What was it?

16          A     I don't know. They screwed up.

17          Q     Were you concerned as to whether the Commission,  
18    or at least the people writing this language, understood  
19    that you even existed as a real person?

20          A     Yes.

21          Q     I want to turn your attention now to Bureau  
22    Exhibit 46. You prepared this?

23          A     Yes.

24          Q     What was the context in which this letter was  
25    submitted? What was the particular matter before the

1 Commission that you were addressing here?

2 A As an independent radio dealer, I provided service  
3 to the American Red Cross, which I am a long time volunteer.  
4 I provide them communication services as a consultant.  
5 Sometimes I charge them and sometimes I do things for free.  
6 One of my large tasks was to reorganize their radio systems  
7 used for disaster service. I reorganized their licenses.  
8 They held six or seven licenses under the old FCC standard  
9 of one license for each type of operation, so I combined  
10 their licenses into one or two applications.

11 They had moved some facilities, so I got the new  
12 facilities on the licenses and deleted some old stuff.

13 Q So basically, you were doing a lot of things  
14 relating to Red Cross licenses?

15 A Right.

16 Q There was some problem that promoted this letter?

17 A I prepared their license application. Red Cross  
18 sent it in, et cetera, and the license was not issued in a  
19 timely way. I did some follow up on it. I talked to the  
20 processor who handled the application, and the Red Cross  
21 received a letter from the Commission, requesting further  
22 information. It was a request that was extremely  
23 extraordinary because the type of frequencies that the Red  
24 Cross had requested are not contested, are not valuable.  
25 The loading requirements on the stations are unlimited.

1 Anybody can get a license, and they requested information in  
2 duplicate of what was on the application.

3 It wasn't common at all. So, I talked to the  
4 processor. The processor told me that the application had  
5 been sent to Mr. Hollingsworth in the compliance or  
6 engineering department. Basically, it sat over there until  
7 we put some questions forward and said, "Why is this  
8 happening?" The processor told me it was sent there solely  
9 because my name appeared on the license application as the  
10 preparer.

11 Q Did this license have anything to do with one of  
12 your managed stations?

13 A No.

14 Q One that we're referring to in this proceeding?

15 A No, it did not.

16 Q Did this application have anything to do with Mr.  
17 Kay?

18 A No.

19 Q But you had come to understand by this time that  
20 some of the problems with delays on your applications were  
21 related to Mr. Kay?

22 MR. SCHAUBLE: Objection on the basis of  
23 relevance, Your Honor, at this point. I don't see where  
24 this --

25 JUDGE FRYSIK: What?

1 MR. SCHAUBLE: Objection on the basis of  
2 relevance. I don't see where this line of questioning is  
3 going to the designated issues.

4 MR. KELLER: That problems with applications had  
5 to do with his relationship with Mr. Kay, I think is  
6 relevant.

7 JUDGE FRYSIK: Objection is overruled. You may  
8 answer.

9 BY MR. KELLER:

10 Q By this time, had you gleaned information or  
11 belief as to why you were experiencing some of these types  
12 of problems with the FCC processing?

13 A I believe a year or two before, some of our fierce  
14 competitors had made claim that a party of interest between  
15 me and Mr. Kay. They obviously never knew our full business  
16 arrangement, and they were our fierce competitors.

17 JUDGE FRYSIK: What year did they make these  
18 complaints?

19 THE WITNESS: Probably '92 or '93.

20 JUDGE FRYSIK: All right.

21 BY MR. KELLER:

22 Q Now, in that same exhibit, which again, is Bureau  
23 Exhibit 46, I want you to direct your attention to the  
24 portion of the letter following. There is a listing of some  
25 finder's preference on filings that are pending there, but



1 the next sentence following that, that says, "I can only  
2 assume." Would you read that sentence?

3 A "I can only assume that I had been blacklisted by  
4 Mr. Hollingsworth, and am having my applications held, my  
5 customer's applications held, and my finder's preference  
6 requests ignored due to my association with Mr. Kay."

7 Q That statement does not say that you don't have an  
8 association with Mr. Kay. Does it?

9 A No.

10 Q In fact, wouldn't you say that that statement  
11 admits that you have an association with Mr. Kay?

12 MR. SCHAUBLE: Objection, leading.

13 JUDGE FRYSIK: Overruled.

14 THE WITNESS: Yes.

15 BY MR. KELLER:

16 Q I would also direct your attention to the last  
17 sentence on that page that begins with, "My business tax  
18 registration." Would you read that statement?

19 A "My business tax registration and resale permits  
20 go back to 1978, long before I began conducting any business  
21 whatsoever with Mr. Kay, the apparent target of Mr.  
22 Hollingsworth."

23 Q Does that sentence not imply, if not directly  
24 state, that you had business dealings with Mr. Kay?

25 A Yes.

1 Q Did you ever, in preparing this letter, have any  
2 intention of denying that you had business relationships  
3 with Mr. Kay?

4 A Of course not.

5 Q What was your purpose in making these statements  
6 about Mr. Kay and about your independence here?

7 A It basically says that I am a two-way radio guy  
8 here doing business, and I do business with Mr. Kay but  
9 that's not a reason for holding up my license applications  
10 without due process.

11 Q I want to go back to some of the preliminary  
12 information that was covered before.

13 MR. KELLER: I beg Your Honor's indulgence. If I  
14 understand the ground rules, we are doing sort of a mixed  
15 bag. This is cross-examination but also direct examination.

16 JUDGE FRYSIK: Fine

17 MR. KELLER: I will try my best not to duplicate  
18 what has already been asked.

19 BY MR. KELLER:

20 Q how long have you been involved in the radio  
21 business?

22 A Since about 1978.

23 Q In what way were you involved in the radio  
24 business at that time?

25 A Shortly out of high school, I had a CB license and

1 became interested in radio through a group called REACT.  
2 The REACT organization had operating a GMRS repeater, for  
3 which I bought a radio and started operating. I had a  
4 little money at that time. The repeater was located in a  
5 location that did not service my area very well, and I  
6 decided to invest and bring a repeater on the air and  
7 provide service to others.

8 Q So other than any CB or amateur license, was that  
9 your first FCC radio license?

10 A Other than CB, yes.

11 Q Now, what was your occupation at that time? How  
12 were you otherwise employed?

13 A I was working at Sandy's Electronics.

14 Q Can you describe that?

15 A It is a super electronics parts store.

16 Q Did there become a time when you left that job and  
17 got more full time involved in the radio business?

18 A The radios made money, but not enough for me to  
19 support myself. I did other things. I bought a charter bus  
20 and operated a charter bus for a few years. While I had my  
21 bus, I put up repeaters as finances made available. The  
22 business grew and grew after that. After I sold my bus and  
23 was married and had a couple kids, being gone on weekends  
24 wasn't something I wanted to do, so I sold the bus and I  
25 started another business with my brothers, an aquarium

1 store.

2 The repeater business continued to do better and  
3 better, and after I left the aquarium store, and this was  
4 about the end of the 1980s, I went full time into radio.  
5 This was my need to, and the reason why I asked Mr. Kay for  
6 some assistance.

7 Q So approximately when did you start full time?

8 A Late '80s.

9 Q About that time the repeater business became self-  
10 sustaining enough that you could make this your full time  
11 employment?

12 A Yes.

13 Q You operate as a sole proprietor. Is that right?

14 A Yes.

15 Q Is that the way you have always operated?

16 A Yes.

17 Q I just want to get something clear on the record.  
18 Do you also do business under the trade name AirWave  
19 Communications?

20 A Yes.

21 Q Sometimes in documents I see that is two words and  
22 sometimes it is one word. Is there a correct way? What is  
23 the official correct version?

24 A My d/b/a papers filed originally is capital A,  
25 small i, small r, capital W, small a, small v, small e, as

1 one word. In stationary, I kind of separated it and people  
2 have picked it up differently.

3 Q So it gets all different ways, but the bottom line  
4 is, in all cases it is still a sole proprietor.

5 A Yes.

6 Q You have never had any employees?

7 A No.

8 Q Where is your base of business operations?

9 A My home.

10 Q I want to back up now and have you describe -- you  
11 talked this morning about what a repeater is, but I want you  
12 to describe a little bit more to me about the repeater  
13 business and the types of customers you have and types of  
14 services you sell. How does this repeater business, as we  
15 have been calling it, differ from cellular?

16 A It's real different. You can have one repeater  
17 with a group of customers operating on a repeater. You're  
18 not relying on necessarily getting business from people  
19 traveling in and out of the area. You are not hooked up to  
20 some other company's systems. Your repeater can stand alone  
21 and operate alone by itself. Services are a much wider  
22 range from a geographical point of view and coverage where  
23 the customers operate.

24 Q How about the type of uses the customers make of  
25 it? Do those tend to be different?

1           A     Cellular has grown into a phone, a mobile  
2 telephone versus a repeater is more of a dispatch radio or  
3 radio to radio. There is no dialing phone numbers and  
4 things like that.

5           Q     I noticed on many of your licenses, and let's just  
6 look at a couple of them for an example -- let's just pick a  
7 license, WTB, Exhibit 14. In the license form, there is a  
8 little table or chart, if you will, and they list various  
9 things in columns, FCC I.D., frequencies, but there is also  
10 a designation called license class. You see the first item  
11 listed there under license class is FB2(c). What is your  
12 understanding of what that (c) means?

13          A     C allows you the provision to interconnect your  
14 radio system to the public telephone switch network.

15          Q     Most of your licenses tend to have this  
16 designation. Is that not correct?

17          A     Yes.

18          Q     Have you, in fact, ever interconnected with  
19 systems?

20          A     No.

21          Q     Why not?

22          A     We just didn't. It wasn't appropriate.

23          Q     Are you familiar with the term dispatch  
24 communications?

25          A     Yes.

1 Q Could you describe that for the record?

2 A One tow truck to the base to another tow truck,  
3 base to a taxi cab, or construction crew back to their base  
4 or guy in the field.

5 Q Do the communications on your repeater type system  
6 tend to differ in terms of the length of communications than  
7 say a cellular communication?

8 A Oh, yes.

9 Q In what way?

10 A Dispatch service tends to be shorter in duration,  
11 where somebody can carry on an unlimited telephone call on a  
12 cellular.

13 Q Now, going back to your involvement in the radio  
14 business, and it grew from something you did on the side  
15 until it became something that is self-sustaining, am I  
16 understanding correctly that this, in part of the 1990s, was  
17 in UHF bands, 450 to 470 to 512 megahertz?

18 A Yes.

19 Q Roughly, how many repeaters would you say you  
20 operated in that range?

21 A A dozen or so.

22 Q Were these all licensed prior to the 1990s?

23 A Most of them, yes.

24 Q Does Mr. Kay have any direct involvement in any of  
25 these?

1           MR. SCHAUBLE: Objection, Your Honor, on the basis  
2 that during discovery we asked for permission to go into  
3 discovery concerning what involvement, if any, Mr. Kay had  
4 concerning these stations, and we were denied discovery. We  
5 don't think at this point Mr. Sobel should be allowed to get  
6 into evidence into an area in which we were never allowed to  
7 undertake discovery on. We have no way of testing this  
8 testimony.

9           MR. KELLER: Your Honor, I disagree. First of  
10 all, let me say that while there were some objections, there  
11 were also some informal agreements pursuant to which we  
12 voluntarily gave, answering and providing much of the  
13 information that was requested.

14           Secondly, it is not my intention to go into a lot  
15 of detail about the involvement. I am simply trying to --  
16 and I don't intend to coach the witness here by this, but we  
17 are simply trying to establish that there is no involvement  
18 with Mr. Kay on these stations.

19           JUDGE FRYSIK: Isn't this on the heels of what  
20 you questioned in your direct?

21           MR. SCHAUBLE: My direct has been limited to the  
22 800 megahertz. There are sort of two bands here, Your  
23 Honor, and counsel can correct me. There are the 800  
24 megahertz stations, which are the subject of the Management  
25 Agreement between Mr. Sobel and Mr. Kay, and then there are



1 also these 450-470 megahertz licenses.

2 MR. KELLER: I believe that, and I will give  
3 counsel the benefit of the doubt, and he probably believes  
4 that's all he was questioning about, but there were some  
5 questions I did not object to at the time, but there were  
6 some questions -- for instance when he was questioning on  
7 the buy-sell agreement, it sounded as if he were talking  
8 about the managed stations, but that agreement covers all  
9 the stations.

10 The main point I would go back to is, we did  
11 provide, maybe not all of the information the Bureau wanted,  
12 but it was pursuant to a mutual agreement we voluntarily  
13 provided answers to most of the questions. The Bureau  
14 voluntarily agreed not to seek full production of documents,  
15 but among many other things, we provided sample documents,  
16 representative documents about the other stations, and the  
17 Bureau agreed that that was sufficient and did not pursue it  
18 during their motion to compel.

19 In addition to the other things that I said, I  
20 just don't think the basis for the objection is accurate.

21 MR. SCHAUBLE: Your Honor, with respect to Mr.  
22 Kay, we pressed this point and went into a motion to compel,  
23 and Your Honor ruled that this is a matter outside the scope  
24 of the proceeding, and prior to designation, this was prior  
25 to the depositions and we abided by --

1 JUDGE FRYSIAK: But he's asking him about his own  
2 stations, the witness's own stations.

3 MR. KELLER: Pardon me?

4 JUDGE FRYSIAK: You are asking about the witness's  
5 own stations.

6 MR. KELLER: Yes.

7 MR. SCHAUBLE: Your Honor, that is what we were  
8 attempting to ask in discovery, too, and we were not allowed  
9 to get that information.

10 MR. KELLER: We did provide information at that  
11 point.

12 JUDGE FRYSIAK: I am going to permit him to ask  
13 the question. If you mean to go back, I will permit you to  
14 go back.

15 MR. KNOWLES: To go back and do discovery, Your  
16 Honor? The discovery we were denied?

17 JUDGE FRYSIAK: Whatever needs you might have, you  
18 just present it to me, and we will revisit that.

19 BY MR. KELLER:

20 Q We are talking now about your 470s. For the sake  
21 of simplicity in this proceeding, let's talk about the UHF  
22 band. By that, Your Honor, we will refer to substations in  
23 the 450 megahertz range, some in the 470 megahertz range.  
24 Is that accurately referred to as the UHF band in your  
25 understanding?

1 A Yes.

2 Q Your UHF band repeaters, who prepared the  
3 applications for those repeaters?

4 A I did.

5 Q Who submitted those applications to the FCC?

6 A I did.

7 Q Who obtained the equipment and put up those  
8 stations?

9 A I did.

10 Q Did Mr. Kay have any involvement in those aspects?

11 A Not really.

12 JUDGE FRYSIK: What time period are you talking  
13 about?

14 THE WITNESS: From the beginning of my business to  
15 current.

16 JUDGE FRYSIK: How current? When was the last  
17 one you did without Mr. Kay's involvement?

18 THE WITNESS: Well, the FCC has tied me up in a  
19 knot for a couple years now, so it's been a while since I've  
20 seen a written application.

21 BY MR. KELLER:

22 Q But you continue to offer the stations, correct?

23 A Yes, I have current authorization.

24 Q Does Mr. Kay have any involvement in those  
25 authorizations?

1 A No.

2 Q It is true that you sublease space to him for some  
3 of those stations?

4 A Yes.

5 MR. SCHAUBLE: Your Honor, can I just note a  
6 continuing objection along the same lines to this so I don't  
7 have to object to each question individually?

8 JUDGE FRYSIK: Yes.

9 BY MR. KELLER:

10 Q Do you know whether or not Mr. Kay also has  
11 repeaters in the UHF band?

12 A Yes.

13 Q What is your knowledge, that he does or does not?

14 A He does have them, yes.

15 Q Do you have any involvement in his UHF repeaters?

16 A I repair, maintain, and install his repeaters.

17 Q But in terms of service to the public, would it be  
18 fair to characterize you two as competitors in that sense?

19 A Yes. We are friendly competitors.

20 Q Yet you operate in the same manner, as two  
21 competitors with totally separate involvement and no  
22 management agreement and no sharing of revenues or anything  
23 like that?

24 A That's correct.

25 Q You testified that you started in the business in

1 about '78?

2 A Yes.

3 Q Do you know when Mr. Kay first got involved in the  
4 business?

5 A I introduced him to it.

6 MR. SCHAUBLE: Could we get clarification as to  
7 which business you are referring to?

8 MR. KELLER: The repeater business.

9 THE WITNESS: The two-way radio repeater business.

10 MR. KELLER: Two-way repeaters, getting FCC  
11 licenses, providing repeater service, that sort of thing.

12 THE WITNESS: Yes. I introduced him to it.

13 BY MR. KELLER:

14 Q In about what time frame?

15 A Probably '79 or '80.

16 Q So shortly after you became involved with it?

17 A Yes.

18 Q There came a time when you began to get interested  
19 in 800 megahertz radio band as well. Correct?

20 A Yes.

21 Q Now, you approached Mr. Kay about this concept?

22 A Yes.

23 Q Why was that?

24 A Because he had put up 800 radio systems and was  
25 making some money off of it, and I was looking for

1 additional revenue.

2 Q Is there any reason why you could not have done  
3 800 megahertz applications on your own, the same way you did  
4 with the UHF band applications?

5 A Yes, I could have done it.

6 Q What were some of the reasons that prompted you to  
7 do it otherwise?

8 A He had the software and additional knowledge that  
9 I would have had to seek to do it. It was really more a  
10 matter of convenience than anything else that he did the  
11 applications for me.

12 Q What were some of the differences in terms of the  
13 business characteristics of 800 versus UHF?

14 A They're much more expensive.

15 Q Can you quantify that?

16 A Repeaters were two to three times the cost of a  
17 UHF repeater. The customers' radios were at least twice as  
18 expensive as a UHF radio. It was a different niche in the  
19 market to sell and operate 800 radio spectrums versus UHF.  
20 I did not have the disposable funds to make that sort of  
21 investment at that time.

22 Q All right. So you have already testified about  
23 the oral understanding you worked out with Mr. Kay. I am  
24 just going to ask you, and you do not have to go into  
25 detail, but would you just highlight that again as to what

1 it was?

2 A Basically, he assisted me doing me my first  
3 application and obtaining my first license, and when I had  
4 the license in hand, we talked about getting the station on  
5 the air. At that point, we made a deal that he would rent  
6 me the radios. We put them in the places that he already  
7 had space leased for. We would use the same type of  
8 equipment that he was using already because of the  
9 convenience of servicing and maintaining it.

10 The equipment was less expensive than some of the  
11 real expensive equipment that was available. We talked  
12 about financially the \$600.00 number came up, and  
13 considering what the rent was, what the cost of the  
14 equipment was, we talked about that I would install it and I  
15 did install it, and I would be paid for doing that. I  
16 thought at the time, and I still do, I got a great deal. I  
17 was able to put up and operate these stations with very full  
18 anticipation of being able to generate revenue from it.

19 In fact, four of the fifteen stations exceed the  
20 revenue that we established and had the Bureau not stopped  
21 both Jim and I in pursuing our businesses, I have no doubts  
22 that today I would be making quite a bit of money every  
23 month.

24 Q If you had decided to do this independently,  
25 rather than through this arrangement with James Kay, let's

1 review that step by step. First of all, you are only direct  
2 lessor at one of the sites, correct? The Hollywood Hills  
3 site?

4 A Yes.

5 Q But at the other sites, you would first of all  
6 have to lease space at the repeater sites, correct?

7 A That's correct.

8 Q That would have been a monthly outlay on your  
9 part?

10 A Yes.

11 Q You would have had to have either purchased or  
12 rented equipment from someone?

13 A That's right.

14 Q So that would have been either a capital expense  
15 or a monthly outlay on your part?

16 A Yes.

17 Q You would have either had to hire someone to do  
18 the installation and maintenance and pay them, or do it  
19 yourself, basically sweat equity, so to speak. Correct?

20 A Yes.

21 Q So these were the kinds of factors that went into  
22 your deciding that it was a good deal to give up the first  
23 \$600.00 a month?

24 A That's correct.

25 JUDGE FRYSIK: Were you prepared at that time to



1 do it on your own anyway?

2 THE WITNESS: I didn't have the cash outlay to  
3 invest that type of money. The systems would have cost in  
4 excess of five or six thousand dollars.

5 JUDGE FRYSIK: So the option wasn't available to  
6 you to go on your own.

7 THE WITNESS: Yes, that's correct.

8 BY MR. KELLER:

9 Q Would you have had the option to have borrowed  
10 money to do it?

11 A I probably could have borrowed money. It wasn't  
12 something I wanted to do. So I guess I did have the option.

13 Q As an option, but it would have been involved  
14 what? I presume you would have had to put up some sort of  
15 equity?

16 A Yes.

17 Q You are not in the financial position where you  
18 can just go in and sign your name?

19 A Not quite.

20 Q Most of us aren't. Now, there was some discussion  
21 in the agreement about whether or not you review customer  
22 contracts and also there was some discussion in your  
23 testimony earlier today about you were periodically  
24 reviewing the revenue. I believe you testified you are able  
25 to go into Jim's computer and are able to calculate the